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would not only provide an incentive to the transfer of small manufacturing shops and enterprises from the center of the city, but might well incidentally stimulate new investment in modernization of their equipment. In this connection it is significant that the removal of tanneries from the center of Damascus to a special industrial zone has in fact been attended by the installation of a considerable amount of new machinery and a substantial improvement in working conditions. While it is possible that private enterprise might become interested in the establishment of such industrial zones and shops in cooperation with the municipalities, we have made allowance in our proposed development program for the expenditure of £S 1.8 million by the central government for this purpose.

In the expansion of new industry the question arises whether the government should exercise any control over the establishment of new enterprises or additions to existing plants. By instituting a licensing system in 1952 the government has in principle already assumed such powers. While they have apparently not been exercised in a restrictive fashion, we strongly doubt that any government under normal economic conditions should even assume such authority. Private enterprise will ordinarily better be able to determine the wisdom of proceeding with a particular venture than civil servants inexperienced in business. There may be special cases where excess capacity is so serious as to warrant government intervention but even then great caution is necessary lest the restriction of competition in the development of industry impair the possibility of attaining greater efficiency.

With respect to working conditions, the mission has a few observations. Syria has a rather liberal labor code for industry, limiting the working week to 48 hours, prohibiting the employment of children under 12 years of age and containing stipulations regarding dismissal and death benefits and maternity and sick leave. Minimum wages are also set by regional wage boards. In the larger factories visited by the mission working conditions appeared for the most part satisfactory. In a number of plants, however, we observed a lack of safety precautions, notably inadequate protection of workers from the danger of moving parts and of dust and humidity. This problem calls for attention. Another deficiency is the lack of thorough enforcement of the labor code. The degree of compliance in the larger factories is not unsatisfactory. In the smaller factories and shops, however, enforcement is inadequate or virtually non-existent. While we do not suggest that the provisions of the labor code could be enforced in all of the small enterprises, we do recommend that some attempt be made

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to curb at least the abuse of child labor which exists in most small shops. This might be done by occasional spot checks. One of the difficulties, however, is the inadequacy of the enforcement staff of the Directorate of Labor and Social Affairs in the Ministry of Economics. At the beginning of 1954 there were apparently only eight inspectors assigned to the enforcement of the labor code. We urge that the number be increased and that for this purpose an additional £S 325,000 be made available to the Labor Directorate over the next six years.

The Tourist Industry

In the discussion of the proposed investment bank, we have already indicated that this institution might assist in financing hotels, as well as manufacturing industries and agriculture. Although this chapter focuses on the problem of developing manufacturing, it appears appropriate to mention here also the possibilities of the tourist industry. Syria has much to interest the tourist from the West. On its soil many civilizations and cultures have flourished and left their imprint. There are countless archaeological sites which are still yielding up treasured relics of the past, numerous ancient Greco-Roman and early Christian cities, fascinating ruined Christian churches and imposing mosques, old Crusader castles and Arab forts. Both Aleppo and Damascus, which vie with each other in the claim to be the oldest continuously inhabited city in the world, intrigue the tourist with their blend of the ancient, the picturesque and the modern.

In the postwar period the airplane has greatly extended the orbit of travel for the American and West European, and rising standards of living have enabled many more to travel abroad than before. In Greece, for example, the number of foreign tourists rose from about 33,000 in 1950 to almost 76,000 in 1953, and the per capita expenditure is said to have doubled during this period. Unfortunately, the mission was unable to obtain figures on the total of foreign travellers visiting Syria, but the number has undoubtedly increased significantly. Many travellers to the Holy Land now stop over in Syria. This tourist trade could be greatly expanded if a concerted attempt were made to advertise the attractions of Syria and to improve the inadequate accommodations available to foreigners.

More and better hotels, good communications and adequate preservation and presentation of historical and cultural monuments are all impor-

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available as required. More women are to be found in modern industry than formerly, especially in the hosiery and other textile factories.

The Syrian workman is on the whole better educated and more adaptable than his counterpart in most of the Middle Eastern countries. The availability of a large force of handicraft workers skilled in the fashioning of metals, wood, stone, textiles and other materials was of great value when the rapid expansion of industry began. As it proceeded, the government and the industrial leaders became increasingly conscious of the need for systematic vocational education and training in schools and factories; this has made considerable progress in recent years.

In Annex I an appraisal is made of the existing vocational (other than agricultural) schools in Syria; our recommendations regarding their extension and improvement are designed better to fit them to the requirements of industry as well as those of commerce and banking.

The private business world, as well as the government, has made its contribution. Most Syrian employers now recognize that successful plant operation demands an adequate supply and a small turnover of skilled labor. Some of the larger factories have instituted training schemes, some providing up to three months specialized training during which the apprentice is paid the full minimum wage. Most of the other factories and workshops have systems under which learners are gradually promoted from the simple to the more skilled operations.

There are nearly 200 industrial unions combined in federations in Syria, with a total of about 25,000 members. The federations and also a large proportion of the trade unions have mutual funds, derived in part from normal subscriptions of members, and partly from government subsidies. They are used for grants to members for medical expenses, hospitalization, extension of the legal periods of sick pay, grants to aged workers, unemployment pay and the like.

The Directorate of Labor and Social Services in the Ministry of National Economy is responsible for ensuring enforcement of the provisions of Syria's rather liberal Labor Code, supervising the trade unions, establishing and operating public employment offices and encouraging the foundation of private ones.

Wages are comparatively low. Minimum wages are fixed by local Minimum Wage Boards. A fairly representative sample of daily wages seems to be: boys and women, £S 1; unskilled men, £S 2-5; skilled men,

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worker who dies. Indemnities are paid in instalments on terms laid down by arbitration boards with reference to the status of the employee and employer.

Family Allowances

Legislative Decree No. 29 of 12 May 1943 requires each industrial and commercial employer in Lebanon to pay a family allowance to all family heads whom he employs. The amount of the allowance increases with the number of dependants. It rises from £L. 10 monthly for one child up to £L. 35 for five or more children; £L. 10 are also payable in respect of a wife living at home.

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There is no available information indicating the existence of social security legislation in Saudi Arabia.

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The Syrian Labour Code in Act No. 279 of 11 June 1946 establishes the liability of each employer to pay compensation in the event of employment injury, non-occupational sickness, confinement or dismissal.

Employment Injury

The employment injury provisions apply in general to all employees except agricultural workers not operating modern agricultural machinery; however, cash benefits are 50 per cent. smaller for employees of handicraft undertakings with four to nine workers and 80 per cent. smaller where such undertakings have only one to three workers. Compensation is payable by the employer for traumatic injuries and occupational diseases, the latter being defined in Order No. 2,459 of 22 November 1948. Insurance of his risk is optional for the employer.

Employers in Syria must provide first aid and pay all medical, pharmaceutical, hospital and transport expenses, except that a public hospital within 50 kilometres, if any, must provide victims with free hospital treatment. When incapacity lasts for more than three days, employers must also pay a cash temporary incapacity benefit equal to 50 per cent. of wages below specified maxima. This is payable from the date of the accident until recovery, death or certification of permanent incapacity.

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An injured person who is permanently incapable of carrying on any occupation receives a lump sum from his employer equal to 500 days of wages plus one month's wages for each year he is under 60, down to the age of 18. A lump sum reduced in proportion to remaining working capacity is payable in the event of permanent partial incapacity. In the event of death, one half of the permanent total incapacity benefit is paid if one dependant survives, plus 15 per cent. for each additional dependant up to 100 per cent.; this lump-sum payment is divided equally among specified surviving relatives. A funeral grant of up to one month's wages is also payable. Alien workers must receive the same treatment as Syrian workers if reciprocal arrangements have been made by international instrument. A survivor of an alien worker who is not in Syria at the time of the accident does not qualify for benefit, unless the survivor is a national of a country granting compensation to survivors of Syrian employees in like circumstances.

The Labour Code also authorises the Syrian Council of Ministers to establish a compulsory industrial accident insurance system by decree and to specify the scope and conditions of such a system.

Sickness and Dismissal

After six months of employment, Syrian wage earners are entitled to half a month's leave at full pay and half a month's leave at half pay in case of non-occupational sickness; salaried employees receive a month's leave at full pay and a month's leave at half pay. Women employed in large-scale industry, commerce or a liberal profession for three years receive full pay during 50 days of maternity leave preceding and following confinement, and those so employed for at least one year receive half pay for the same period.

Wage earners paid by the day must be paid a dismissal indemnity of one month's wages for each year of service up to three years, and half a month's wages for each additional year. All other employees receive an indemnity of one month's wages for each year of service. Full dismissal indemnity is payable in the event of death or the marriage of a female employee, and a half indemnity is payable upon voluntary retirement after 15 years of service.

The Syrian Labour Code also authorises the establishment by Ministerial Decree of compensation funds for payment of family allowances to some or all employees, and also provident funds financed by employer and employee contributions for payment of sickness and unemployment benefits and refunds in case of invalidity, old age or death.